

Tab 20

Proprietary School Certification Program Annual Report

Coordinating Board for Higher Education
December 8, 2021

BACKGROUND

Sections 173.600 through 173.618, RSMo, provide authority for the Coordinating Board to issue certificates of approval to operate to proprietary schools, defined as “any person not specifically exempted...which offers or maintains on either a for-profit or not-for-profit basis within the state of Missouri a course or courses of instruction or study...which grants certificates or earned or honorary degrees.” This item provides an overview of the program and provides highlights of the institutions in the sector, the certificates and degrees they offer, and the students they serve.

Initial standards for the establishment of the Proprietary School Certification Program were enacted in 1983. Since inception, the central focus of the program has been consumer protection. This is accomplished through the implementation of standards related to school governance, administrative personnel, faculty qualifications, financial resources, program disclosures, and additional policies required to be provided to students upon request. Schools certified by the department must agree to comply with the established standards and must provide institutional and student level data for staff review and analysis.

Program staff are responsible for oversight activities of school operations to verify students are treated in a fair and equitable manner and receive education and training consistent with the published policies and objectives of the schools. Staff determine compliance through periodic on-site and desktop reviews of school operations allowing staff to provide technical assistance on regulatory issues. The on-site reviews include interviews with faculty, staff, students, and graduates, as well as a review of the school's student records.

Finally, additional oversight is maintained through the annual renewal process where institutions report on enrollments and completions, graduate employment, and the financial assistance awarded to students. School are also required to submit student level data when students enroll into a program and when they exit a program either through graduation, withdrawal, or dismissal.

CURRENT STATUS

Schools

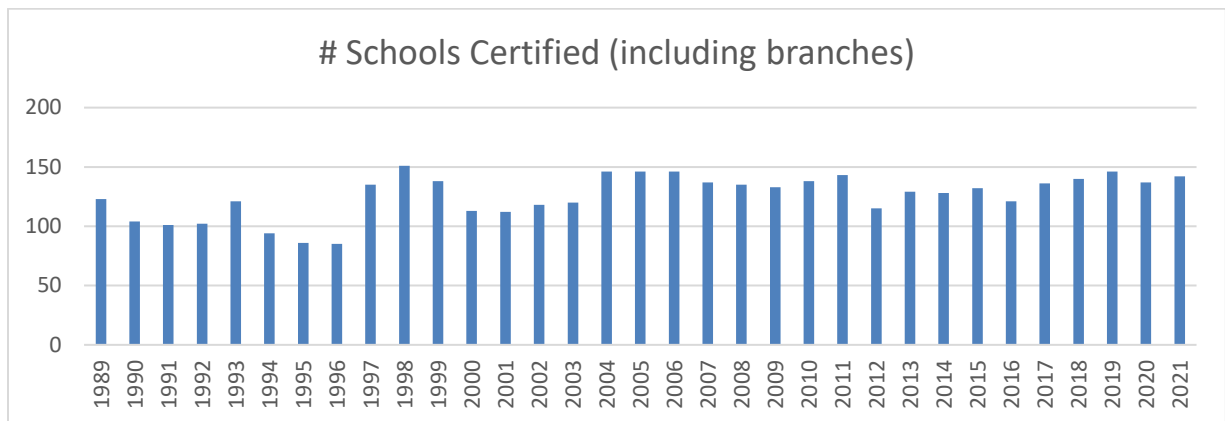
Program staff review three types of applications: certification to operate in Missouri, certification to recruit in Missouri, and exemption from certification standards. The number of schools noted in the following discussion may differ slightly from previous years as some reports included branch locations in Missouri, recruit schools, or focused solely on a school's main campus in Missouri. It should be noted, the program has a rolling application process, so staff review applications and grant approval or exemption year-round, which may lead to different numbers of institutions reported on different days.

Since 1989, the number of schools certified or exempted in Missouri has slowly increased to the following:

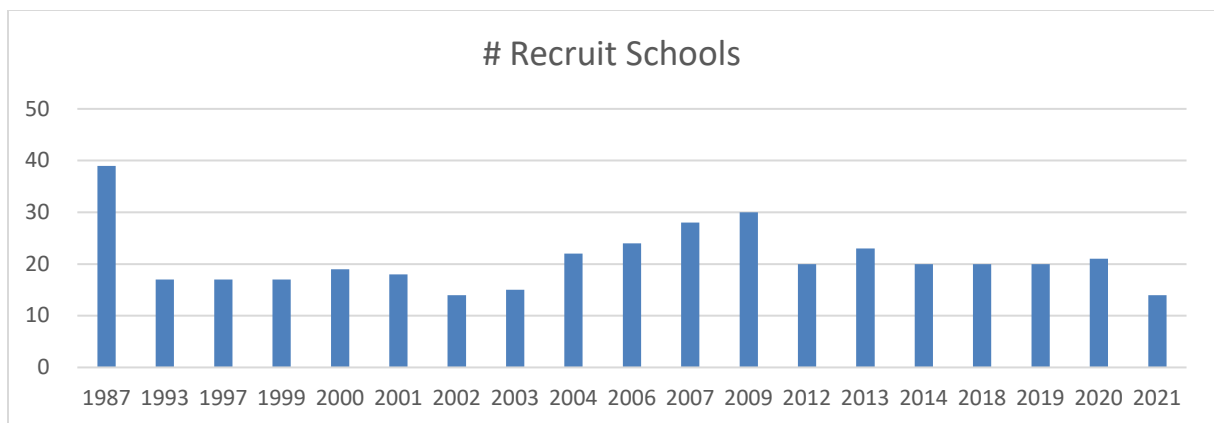
- 126 Certified main institutions
- 16 certified branch institutions
- 13 recruit main institutions
- 1 recruit branch institution
- 332 CBHE-exempted institutions*

**Public, independent, and certain religious institutions are automatically exempted via statute and are not required to submit an application. All other categories must apply for exemption.*

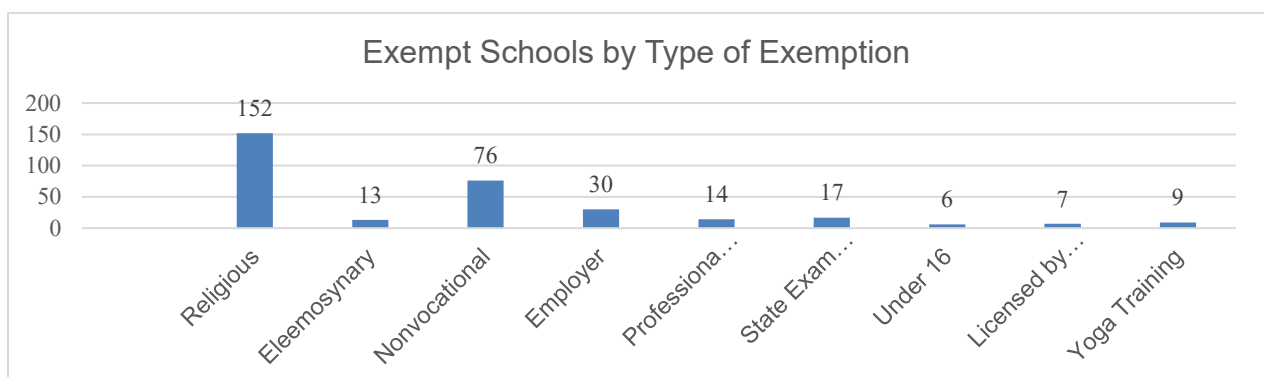
The chart below reveals the cyclical nature of the sector as numbers of certified schools expand and contract to meet demand. We expect the number of Missouri locations to continue to increase through 2022 due in part to the demand for allied health professionals in response to the pandemic as well as the implementation of new federal regulations regarding commercial truck driving.



In contrast, the number of schools certified to recruit in Missouri has steadily decreased to a total of 14. The decline is attributed primarily to the adoption of the State Authorization Reciprocity Agreement (SARA), which allows participating accredited, degree-granting institutions to offer distance education in any member state without obtaining by-state certification. We anticipate this decline to continue as institutions continue to join SARA.



Missouri postsecondary providers may seek exemption from certification statutes. The chart below indicates the category under which Missouri's 324 current providers were exempted.



Since 2015, program staff have been contacting previously exempted institutions to obtain updated personnel and program information and to verify qualifications of the provider to maintain its exempt status. As of October 2021, the Department has renewed or revised 36 provider exemptions and cancelled the exemption for 128 providers who either no longer offered postsecondary programming, who had closed the training location, or who had failed to respond to multiple attempts by staff to contact the provider.

Programs

In FY 2021, certified schools offered 1,155 certificate and degree programs in 36 different career sectors (e.g., the four-digit classification of instructional programs code). The most numerous programs by 4-digit CIP Code were:

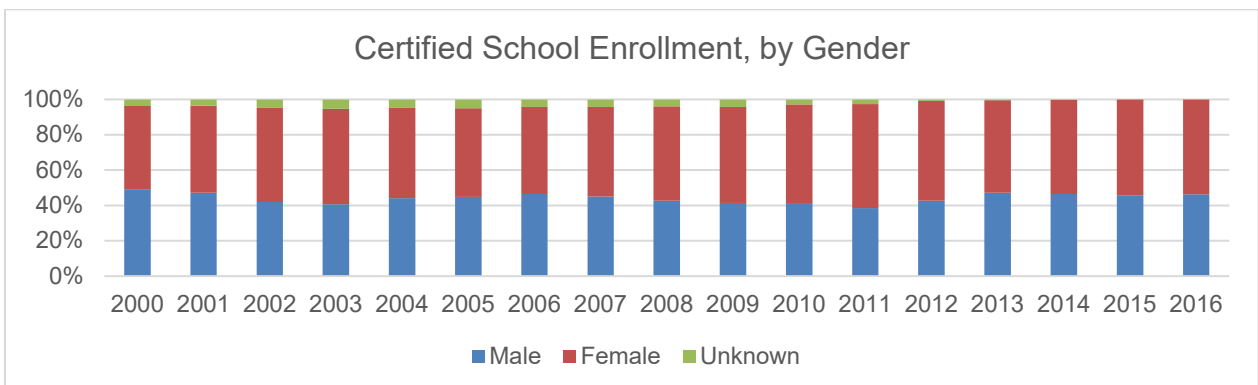
4-Digit CIP Code	Programs in Career Sector	# of Programs
11.10	Computer/Information Technology Administration and Management	73
52.02	Business Administration, Management and Operations	63
48.07	Woodworking	60
32.01	Workforce / Basic Skills Development	59
51.38	Registered Nursing, Nursing Administration, Nursing Research and Clinical Nursing	58
49.02	Ground Transportation	52
51.08	Allied Health and Medical Assisting Services	50
51.07	Health and Medical Administrative Services	43
51.09	Allied Health Diagnostic, Intervention, and Treatment Professions	42
43.01	Criminal Justice and Corrections	35

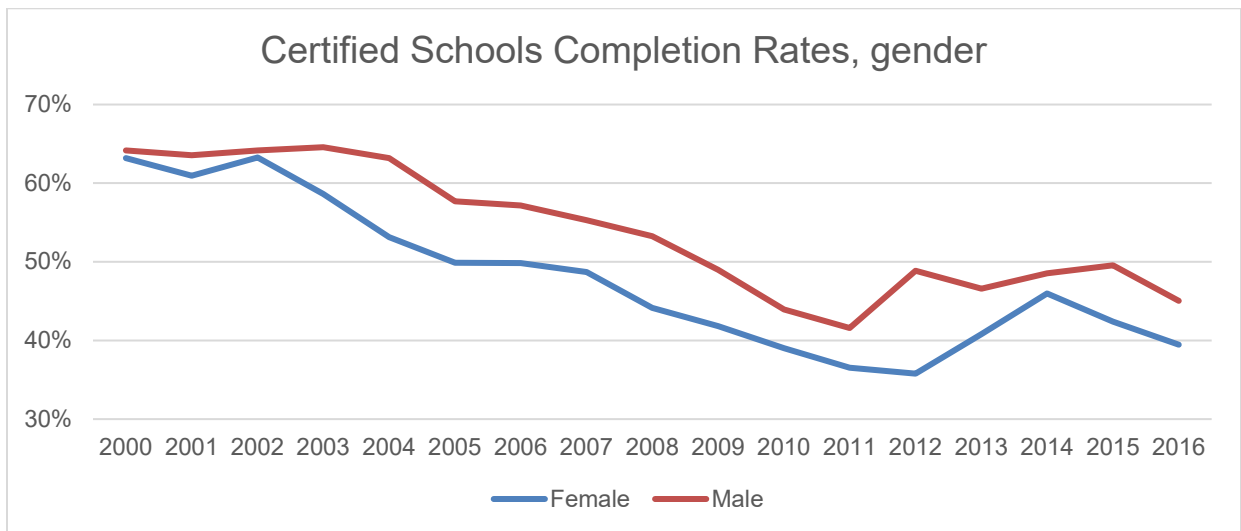
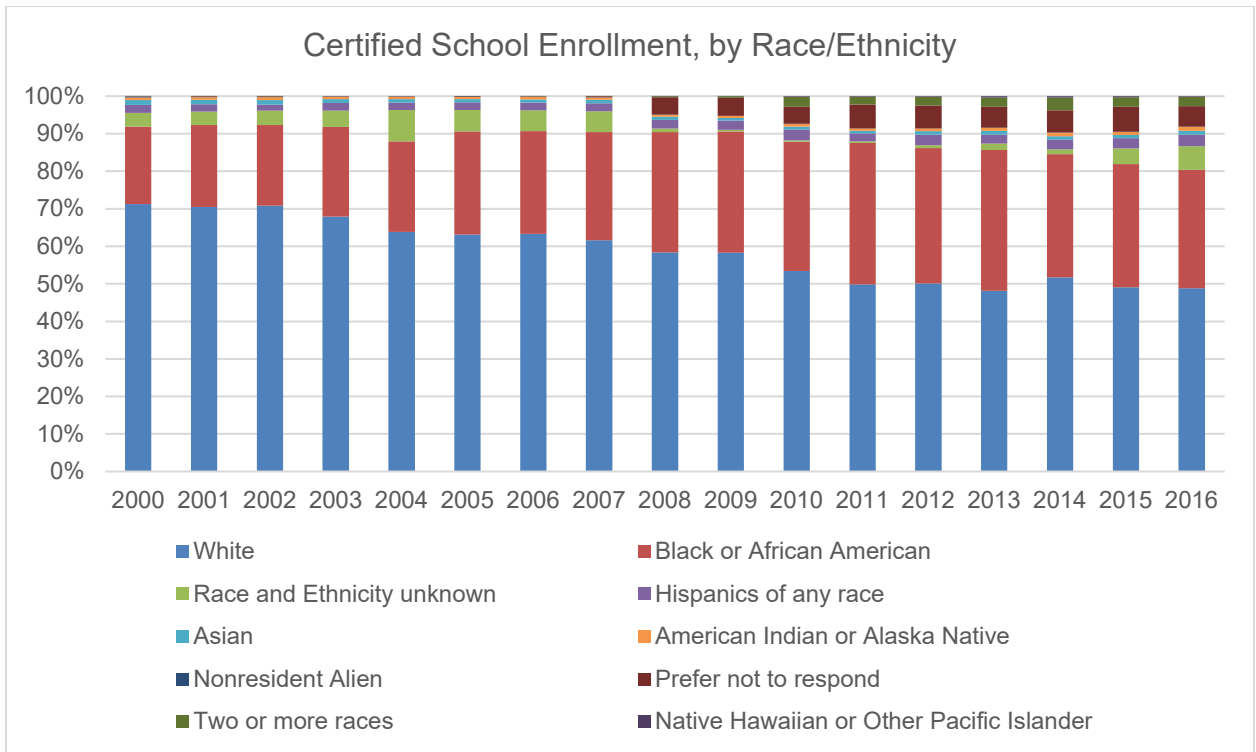
Of schools that received initial certification to operate in FY 2021, 79% of programs were in the Health Professions and Related Clinical Sciences fields (CIP Code 51), and 9% were in the Computer and Information Sciences and Support Services fields (CIP Code 11) indicating the sector is responding to workforce demand.

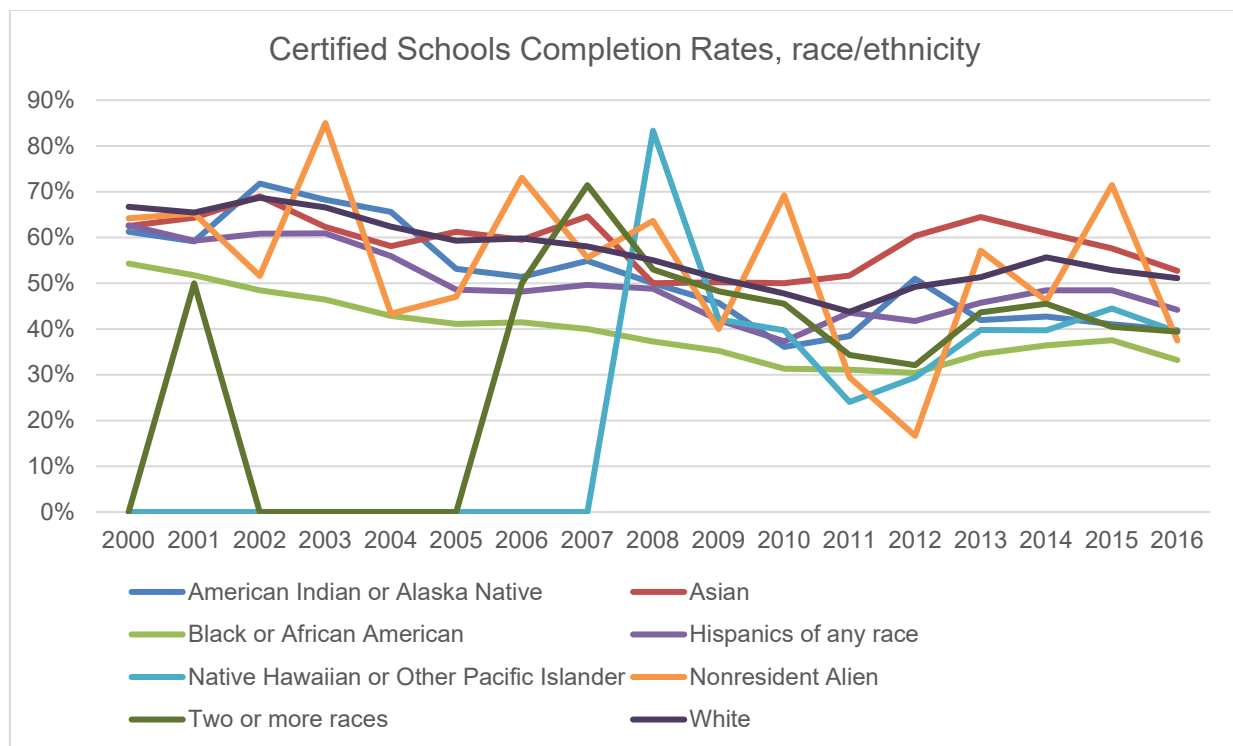
Students

Program staff work with institutions to collect data on student enrollment and exit from a program. The data are primarily entered by institution. Some data may have inconsistencies due to changes in the level of detail requested and in revisions to the data collection instruments over the years of program operation.

Proprietary schools enroll a diverse student population. The following charts indicate historical enrollment regarding gender and race/ethnicity.



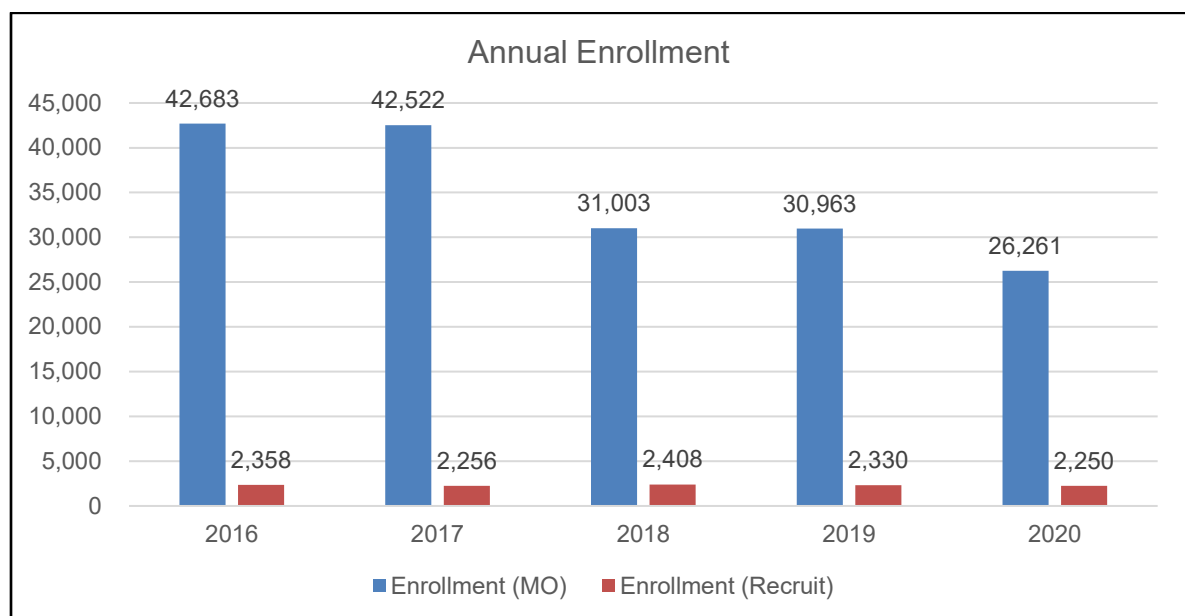


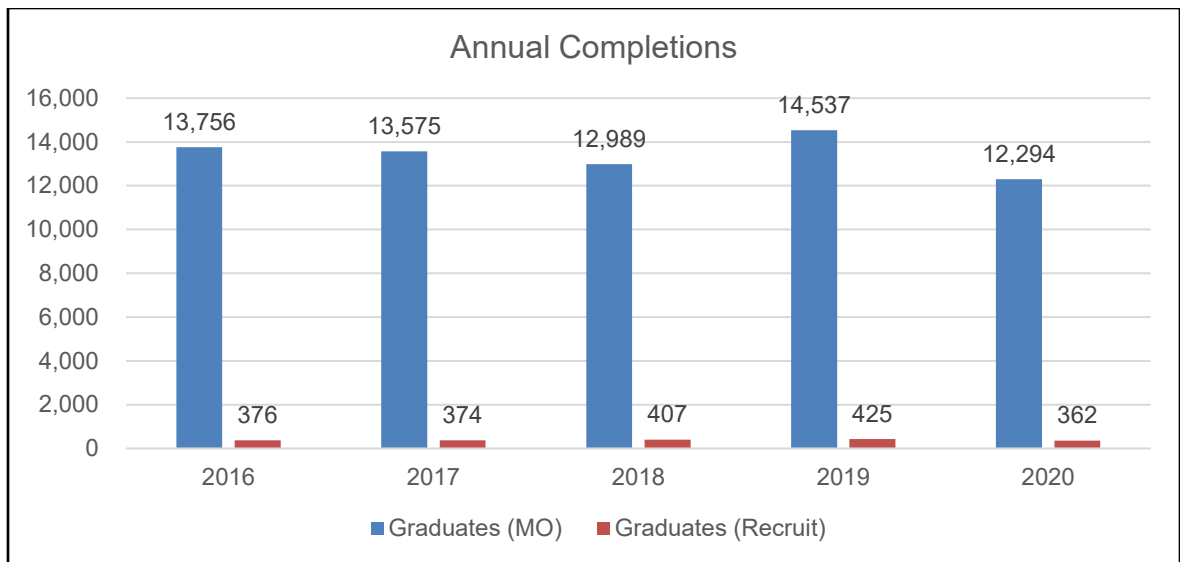


Enrollments and Completions

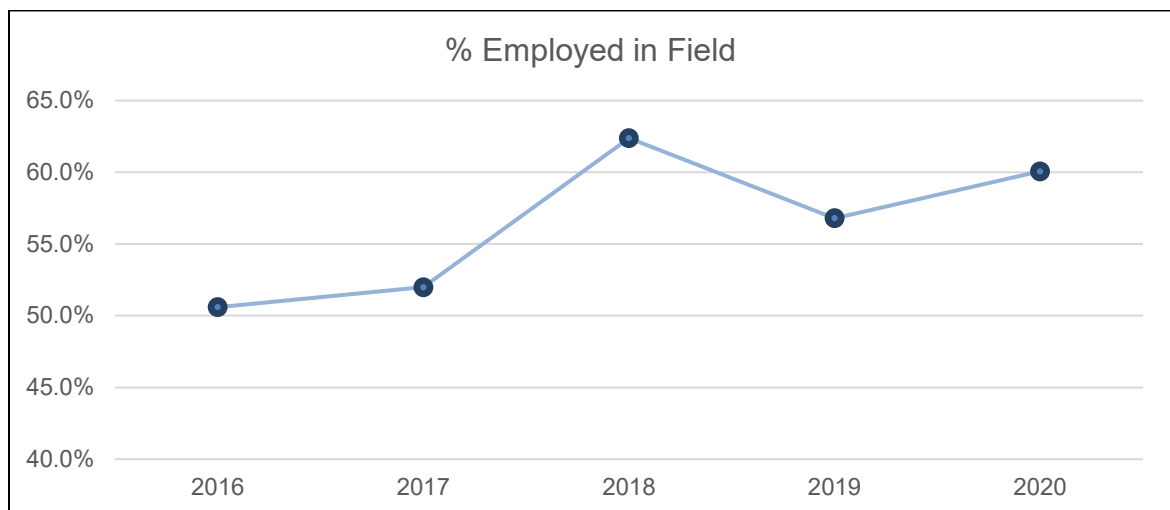
Since 2016, enrollment with Missouri proprietary institutions has decreased by 42%. The major decline between 2017 and 2018 coincides with the closure of several large school chains including ITT Technical Institute, Heritage College, and Vatterott College.

Although the enrollment at recruit institutions has remained stable, the number of recruit institutions continues to decline due in part to Missouri's participation in the State Authorization Reciprocity Agreement.





In recent years, the proportion of graduates from certified schools finding employment in the field in which they trained has been increasing.



NEXT STEPS

Proprietary School Certification program staff are actively engaged with institutions to ensure school officials have the appropriate tools to understand and abide by certification standards. Staff are also working on additional training materials, process improvements, and rule revisions to better accomplish the mission to provide adequate protection to Missouri students.

RECOMMENDATION

This is an information item only.

NO ATTACHMENTS